GOVERNMENT OF INDIA
FINANCE
LOK SABHA

STARRED QUESTION NO:227
ANSWERED ON:30.11.2007
FOREIGN INVESTMENTS IN THE STOCK MARKET
Singh Shri Mohan

Will the Minister of FINANCE be pleased to state:

(a) whether the Government are planning to restrict the uncontrolled capital investment by foreign investors in the Indian stock market; and

(b) if so, the details thereof?

Answer

FINANCE MINISTER (SHRI P. CHIDAMBARAM)

(a) and (b): A statement is placed on the Table of the House.

Statement referred to in reply to parts (a) and (b) of the Lok Sabha Starred Qn. No. 227 raised by Shri Mohan Singh for reply on 30th November, 2007

(a) and (b): A transparent policy and regulatory framework for investment by foreign institutional investors (FIIs) in the stock markets is in place. This is reviewed periodically by the Government in consultation with the Reserve Bank of India and SEBI keeping in view the current macroeconomic situation, changing market conditions, challenges faced in the management of the external sector and experience gained so far in administering the policy.